



U.S. Department of the Interior
"To-Be" Trust Business Model
Process Template

Title: Pool and Sweep Funds for Short Term Investment

Process Number
FO.2.2

Identify the process in the "Verb Noun" format. (Ex: Maintain Ownership)

1. Process Definition *Provide an overview of the process and define its starting and ending points*

1.1 Starts With	A decision to make a short-term investment with Treasury.
1.2 Process Overview	The trust accounting system automatically determines whether a beneficiary account contains funds available for investment. If the account is held by an individual Indian, or a tribal account that does not meet the long term investment criteria, funds are pooled with other beneficiary funds, the aggregated short-term investment amount is calculated and the investment amount is called into Treasury (referred to as "overnighters"). Pool balances are then updated.
1.3 Stops With	A short-term investment and update of pool balances.

2. Trust Business Objectives *Identify the Comprehensive Trust Model strategic goals and business objectives to which this process contributes.*

Goal/Objective
Manage and invest fund assets to provide prudent rates of return in accordance with appropriate statutes and investment strategy options while considering the best interests of the beneficiaries.

3. How should Beneficiaries be involved in this process?

Beneficiary Involvement
IIM accountholders chose to leave their money in the account for short term investment by the government.

4. Organizations, Offices and Roles. *Identify the DOI organizations and related roles that should be involved in performing the process.*

4.1 DOI Organizations. *Identify the DOI organizations, offices and individual roles that contribute to this process.*

DOI organizations include the Office of the Secretary, BIA, OST, BLM, MMS, OHA, OSM among others. Offices include Central Offices, Regional Offices, Agency (Field) Offices, etc. All individual roles that contribute, in a significant manner, should be identified.

Organization	Office	Role	Contribution
OST	Trust Services		Pool funds for investment. Invest money with Treasury. Calculate monthly interest earnings used in the IIM interest factor.



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4.2 Non-DOI Organizations. Identify the non-DOI organizations that support the execution or control of this process.

External Organization	Contribution
Treasury	Invest trust funds in overnighter and provide interest earnings. Serve as the government bank.

5. Event(s) Identify the events or conditions that start the process. Describe each event and indicate the frequency (daily, monthly, quarterly, etc.) in which each event is expected to occur. An event may be an external interaction (a beneficiary submits an application), the expiration of a period of time (a lease is due to expire in 90 days), or the realization of some pre-defined threshold (an IIM account reaches the automatic disbursement threshold).

Event	Description	Estimated Frequency
Receipt of funds	Money available for investment with Treasury.	Daily

6. Inputs and Outputs. Identify and describe all inputs and outputs related to this process. Inputs are information or materials used during the execution of the process; outputs are materials or information produced by the process.

6.1 Inputs

Input	Description
Beneficiary account	An account created to receive and disburse trust-related monies to individual Indian and tribal beneficiaries.
A decision to invest short term	Based on the beneficiary's account balance and tribal choice of an investment option.

6.2 Outputs

Output	Description
Updated pool balance	Pool balance reflecting results of short-term investment activity.
Updated beneficiary accounts	Accounts are updated with short-term investment earnings.
Security Advice of Credit for Payments	Treasury confirms payment of principal and/or interest on stated security



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Output	Description
Treasury Form SF-215, Deposit ticket	Treasury confirms date, amount, account of deposit, name of depositary, depositor's title and address
Treasury Form 5515, Debit Voucher	Treasury confirms date, amount, account of debit, name of depositary, depositor's title and address
Notification of P&I Credit	Treasury generates when interest and maturities are paid to securities. Confirms payment of principal and/or interest on state security.

7. Fiduciary and Legal Obligations and Controls

7.1 Obligations

Identify and describe the legal and fiduciary obligations that impact this process. For each obligation, indicate the document or commitment that defines the obligation and the citation (paragraph or section) within the document that pertains to this process.

Obligation	Source	Business Impact
Regulations on deposit, care, and investment of Indian monies	25 USC (United States Code) 161,162	Prescribes allowable investments for trust funds held by the U.S. Government.
Regulations on unclaimed per capita accounts	Public law 87-283	Manage and invest trust fund assets to provide prudent rates of return.
Mandated requirements for trust assets management	Trust Reform Act (Public Law 103-412)	Accountability for trust funds.
Regulations for carrying out the duties to manage and administer trust assets	25 CFR 115	Guidelines for management of trust funds for tribes and individual Indians. Subpart F 702 –800: Types of funds that can be received into trust; tribal accounts, withdrawals, investments, liquidations.
Guidance on cash and investment transactions	Treasury regulations	Safeguard trust assets.



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Obligation	Source	Business Impact
Freedom of Information Act (FOIA)	5 USC 552	Provides specifically that "any person" can make requests for government information. Citizens who make requests are not required to identify themselves or explain why they want the information they have requested. All branches of the Federal government must adhere to the provisions of FOIA with certain restrictions for work in progress (early drafts), enforcement confidential information, classified documents, and national security information.
Privacy Act of 1974	5 USC 552 (a)	Protects information pertaining to individuals.

7.2 Controls

Identify and describe any controls (enforcement mechanisms) that may be used to ensure that the process adheres to obligations and internal process requirements. Controls may be reviews, audits, segregated duties, etc. Indicate the reason that each control should be introduced (name the obligation that a control is intended to enforce; indicate any controls required to ensure consistency or reliability).

Control	Reason	Description
Department Order No.3215	Ensure consistency in the administration of trust responsibility.	Principles for the discharge of the Secretary's trust responsibility.
OTFM Manual Part 220.4	Ensure compliance with financial standards.	Policies, procedures and operations manuals pertaining to the management of the Indian trust fund.
Interagency Handbook	Ensure that the distinctions between the BIA and OST responsibilities are defined, understood and followed.	Define roles and responsibilities of OST and BIA.
Audits	Ensure adherence to policies and procedures and that an audit trail is intact.	Analysis, adjustment of accounts. May include a certification of accuracy from a non-prejudiced accounting professional.
Reconciliation	Ensure that accounts are in balance.	Perform daily reconciliation, including reconciliation with Treasury on investment account activity and balances.



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Control	Reason	Description
An internal audit control function is in place following OCC requirements to monitor processes	DOI consults with OCC to develop trust standards and regulations to ensure compliance with stated objectives.	Office of Controller of the Currency (OCC) - Regulation 9. Government financial standards.
Segregation of duties	Ensure that the risks associated with performing investment activities on behalf of beneficiaries is mitigated as much as possible.	Segregate roles and responsibilities for functions such as trading, calculation of interest earned and reconciliation.
Peer review, sampling, management control review and quality assurance	Ensure consistent adherence to financial procedures and accuracy of accounting entries.	Internal audits and checks.

8. Mechanisms (Systems of Record) *Identify the mechanisms, or systems, that are needed to support the process (ex: Ownership, Leasing, Workflow Management, Office Filing System, etc.). Indicate the information and activities, relevant to this process, that each system supports.*

System Name	Support
Trust Financial Accounting System (TFAS)	Technology that applies receipts, distributions and disbursements to the appropriate beneficiary and escrow accounts. An escrow tracking module is also included.
Funds receivable system	Technology that tracks payor commitments of funds, such as leases, judgment awards, sales, probate settlements, and receipts against those commitments. A cash management module that allocates projected and actual receipts to and from beneficiary accounts is also included.
Funds payable system	Technology system that records scheduled and actual disbursements from trust and trust-related accounts to beneficiaries or third parties. A cash management module that allocates projected and actual disbursements to and from beneficiary accounts is also included.
Invest One Accounting System	Treasury system that contains account information, activity, balances and interest earnings. This is Treasury's system of record for the summary level investment of trust funds.
Interest earned calculator	Technology that calculates the monthly interest earnings used in the IIM interest factor.



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9. Inter-Process Relationships Identify other Trust processes that are related to this process (either predecessors or successors). If applicable, indicate the condition under which the processes are related.

9.1 Predecessors. Predecessors are processes that either produce information required by this process or that result in the need to execute this process.

Process No.	Name	Condition of Relationship
FO.2.1	Review Accounts and Investment Options	Funds available in a beneficiary account do not meet the criteria for long-term investment.

9.2 Successors. Successors are processes that either use information produced by this process or that must be executed as a result of performing this process.

Process No.	Name	Condition of Relationship
FO.1.2a	Receive and Post Trust Funds	Investment earnings are credited to the appropriate accounts.
FO.1.2b	Receive and Post Non-Trust Funds	Investment earnings are credited to the appropriate accounts.
FO.2.4	Produce Report	Daily short-term investment activity is complete.
FO.4	Omnibus Reconciliation	Investment activity available for reconciliation.

10. Comments Summarize any discussion, problems, issues or recommendations that should be considered when reviewing process performance. Category Values (Note, Best Practice, Decision, Problem, Issue, Recommendation)

Category	Comment
	None